

## Custom Work Charges in Maryland 2011

### Introduction

Financial and economic considerations such as limited capital, untimely cash flow, insufficient labor, small acreage or other reasons require farmers to hire custom service for field operations. Custom work charges are determined by demand and supply and are negotiated between farmers and custom operators. The purpose of this publication is to provide information on custom work charges in Maryland and to provide data to assist in decision making regarding purchasing equipment.

### Using Custom Rate Information

- \* Custom operators use custom rates to compare rates with competitors.
- \* Farmers use custom rates as a guide for machinery, budgeting and financial planning.
- \* Lenders, educators and government agencies use custom rates for budgeting, advising and analysis.

Rates that are quoted in this publication are expressed in different ways depending on the specific job (per acre, hour, ton, mile, bale, etc.). The rates provided are to help custom operators and farmers make decisions about rate charges. The prices reported are not official or established rates but an average of responses from the survey.



Reported rates include charges for machines, power, fuel, lube and the labor/operator. These rates do not include the costs of chemicals, seeds, and other materials with the exception of hay baling materials and where noted (i.e. spreading lime).

Custom rates in this publication may not suit all custom operators and those hiring custom work. It is important that operators calculate their own custom costs. It is also important that farmers create their own budgets which include their variable costs and fixed costs and do not rely only on custom rates to determine their cost of production.

### **Custom Work Charges for 2011**

A mail survey was conducted in the fall of 2010 to determine custom works charges in Maryland. Data were collected from 69 custom operators and farmers and summarized for the state.

Participants indicated the rates they charge for various field operations. The charges reported in this publication may serve as a guide in determining an acceptable rate for a particular job where little other information is available. The charges can also be compared with costs and returns and may be used as a basis for working out more equitable charges for both the custom operator and customer.

Table 1 summarizes the custom work charges for the various operations for the State of Maryland. It shows the range (low and high), average (mean) as well as the median charge. The median refers to the middle of the range. Half of the responses are below and half are above. The median is less sensitive to extreme responses and is a better measure than the average.

There are wide ranges with some operation charges. Variations may be due to the lack of knowledge about charges and difference in location, topography, field size and shape, crop yields, soil conditions, weather conditions, work quality, equipment type and size, timeliness or the ratio of available jobs to custom operators.

For more crop budgeting information visit: [www.mdgrainmarketing.umd.edu](http://www.mdgrainmarketing.umd.edu)

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**TABLE 1.**

<b>OPERATION</b>	<b>UNIT</b>	<b>MIN</b>	<b>MAX</b>	<b>MEDIAN</b>	<b>AVERAGE</b>
Stalk Cutting	Acre	\$9.00	\$28.00	\$15.00	\$15.80
Plowing-Chisel	Acre	\$10.00	\$29.50	\$15.00	\$16.39
Plowing-Moldboard	Acre	\$11.30	\$35.00	\$18.00	\$21.12
Disking-Heavy	Acre	\$9.50	\$30.00	\$16.00	\$16.14
Disking with Cultipacker or Harrow	Acre	\$8.00	\$30.00	\$15.50	\$16.72
Cultivating	Acre	\$8.50	\$22.50	\$12.00	\$14.37
Cultipacking	Acre	\$4.00	\$20.00	\$12.25	\$12.35
Subsoiling	Acre	\$9.75	\$65.00	\$17.50	\$21.65
Soil Finishing	Acre	\$8.00	\$30.00	\$16.00	\$17.46
Vertical Tillage	Acre	\$8.00	\$25.00	\$15.00	\$16.88
Strip Till	Acre	\$15.60	\$25.75	\$20.68	\$20.68
Corn Planting- Conventional w/ Fertilizer	Acre	\$8.00	\$24.25	\$15.00	\$15.73
Corn Planting- Conventional w/o Fertilizer	Acre	\$12.00	\$28.00	\$16.00	\$17.61
Corn Planting- no-till w/ fertilizer	Acre	\$10.00	\$26.50	\$16.00	\$16.80
Corn Planting-no-till w/o fertilizer	Acre	\$13.00	\$28.00	\$18.00	\$19.31
Soybean Planting- Conventional	Acre	\$10.00	\$28.00	\$17.50	\$17.00
Soybean Planting-No-Till	Acre	\$10.00	\$35.00	\$17.75	\$17.82
Drilling-Small Grain	Acre	\$10.00	\$35.00	\$16.00	\$17.12
Seeding-Grass Drilling/no-till	Acre	\$2.00	\$65.00	\$21.00	\$27.92
Seeding- Grass Broadcast	Acre	\$6.00	\$25.00	\$15.00	\$15.11
Seeding-Aerial	Acre	\$5.50	\$36.00	\$19.50	\$18.10
Fertilizer Application-Dry	Acre	\$6.00	\$20.00	\$7.00	\$8.33
Fertilizer Application-Liquid	Acre	\$6.00	\$10.00	\$7.00	\$7.75
Fertilizer Application- Side Dress	Acre	\$6.00	\$27.00	\$9.00	\$10.21
Lime (included lime and application)	Ton	\$26.00	\$72.00	\$39.50	\$40.00
Manure Loading	Ton	\$2.00	\$25.00	\$5.00	\$10.67
Manure Spreading-Liquid	Ton	\$2.50	\$2.50	\$2.50	\$2.50
Manure Spreading-Solid	Ton	\$5.00	\$25.00	\$7.00	\$12.33
Manure Spreading-Litter	Ton	\$2.00	\$15.00	\$8.00	\$7.88
Manure Hauling	Ton	\$5.00	\$50.00	\$6.50	\$20.50
Spraying- Pesticide Ground	Acre	\$6.00	\$15.00	\$7.88	\$8.31
Spraying- Pesticide Aerial	Acre	\$6.00	\$18.00	\$8.50	\$10.25
Mowing Hay	Acre	\$9.00	\$40.00	\$18.50	\$21.47
Mowing and Conditioning Hay	Acre	\$9.00	\$45.00	\$19.00	\$21.02
Raking Hay	Acre	\$6.00	\$28.00	\$11.50	\$13.96
Baling-Small Squares	Bale	\$0.40	\$2.00	\$0.80	\$0.85
Baling-Large Round Bales	Bale	\$5.00	\$15.00	\$8.00	\$8.41
Mow, Rake, Bale Hay-no haul	Bale	\$1.35	\$12.50	\$2.75	\$4.35

<b>OPERATION</b>	<b>UNIT</b>	<b>MIN</b>	<b>MAX</b>	<b>MEDIAN</b>	<b>AVERAGE</b>
Field Chop, Haul & Fill Silo	Ton	\$6.50	\$10.00	\$8.25	\$8.25
Combining-Corn	Acre	\$20.00	\$50.00	\$30.00	\$30.33
Combining-Soybeans	Acre	\$20.00	\$50.00	\$29.50	\$29.92
Combining-Small Grains	Acre	\$20.00	\$50.00	\$29.00	\$29.97
Custom Farming-Corn	Acre	\$27.50	\$125.00	\$110.00	\$87.50
Custom Farming-Soybeans	Acre	\$95.00	\$100.00	\$97.50	\$97.50
Custom Farming- Small Grains	Acre	\$100.00	\$100.00	\$100.00	\$100.00
Hauling Grain-Local	Bu.	\$0.08	\$0.30	\$0.15	\$0.15
Hauling Grain-Long Distance	Bu.	\$0.10	\$0.50	\$0.27	\$0.25
Storing Grain	Bu./Mo	\$0.02	\$0.12	\$0.05	\$0.05
Drying Grain	Point	\$0.03	\$0.08	\$0.05	\$0.05
Grinding Feed	Cwt.	\$0.25	\$0.40	\$0.33	\$0.33
Mixing Feed	Cwt.	\$0.50	\$0.50	\$0.50	\$0.50
Grinding and Mixing Feed	Cwt.	\$0.30	\$0.40	\$0.35	\$0.35
Soil Testing	Sample	\$5.50	\$50.00	\$15.00	\$17.56
Nutrient Management Plan Writing	Acre	\$3.00	\$5.00	\$5.00	\$4.33
General Farm Labor	Hour	\$8.00	\$25.00	\$12.00	\$12.83
Machinery Operation	Hour	\$9.00	\$130.00	\$17.50	\$31.50
Bushhogging	Hour	\$20.00	\$150.00	\$65.00	\$67.13
Mowing CRP Acres	Acre	\$10.00	\$65.00	\$20.00	\$24.82
Mowing	Acre	\$9.00	\$65.00	\$18.00	\$23.00
Clearing Land	Hour	\$70.00	\$195.00	\$92.50	\$107.50
Posthole Digging	Hole	\$4.00	\$5.00	\$5.00	\$4.67
Post Driving	Hole	\$8.00	\$8.00	\$8.00	\$8.00
Snow Removal	Hour	\$50.00	\$150.00	\$100.00	\$102.27
Bobcat	Hour	\$45.00	\$140.00	\$65.00	\$79.00
Trenching	Foot	\$1.50	\$40.00	\$2.13	\$11.44
Livestock Hauling w/ Trailer	Loaded MI	\$1.50	\$1.50	\$1.50	\$1.50
Bulldozer	Hour	\$75.00	\$135.00	\$97.50	\$101.50
Tree Planting	Per Plant	\$4.00	\$4.00	\$4.00	\$4.00
Vegetative Buffer Planting	Acre	\$15.00	\$15.00	\$15.00	\$15.00
Tractor Rental- <80 HP	Hour	\$30.00	\$100.00	\$55.00	\$59.44
Tractor Rental- 80-120 HP	Hour	\$25.00	\$110.00	\$50.00	\$58.89
Tractor Rental- 120-160 HP	Hour	\$30.00	\$140.00	\$92.50	\$83.75
Tractor Rental- >160 HP	Hour	\$48.00	\$150.00	\$62.50	\$80.75